

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: INTERSTATE POWER AND LIGHT COMPANY and MAQUOKETA VALLEY RURAL ELECTRIC COOPERATIVE	DOCKET NO. SPU-03-1
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**ORDER GRANTING PETITION FOR MODIFICATION
OF SERVICE AREA BOUNDARIES**

(Issued April 16, 2003)

On January 22, 2003, Interstate Power and Light Company (IPL) and Maquoketa Valley Rural Electric Cooperative (Maquoketa Valley) filed with the Utilities Board (Board) a joint petition for modification of electric service area boundaries pursuant to 199 IAC 20.3(9). A service area agreement between IPL and Maquoketa Valley was attached to the petition. No objections to the petition were filed.

IPL and Maquoketa Valley request the Board modify the service territory boundary between the two utilities in Delaware County, Iowa. The following service territory is to be transferred from Maquoketa Valley to IPL:

Lots 2, 3, 4 and Parcel D in the Northeast Quarter (NE ¼) of
the Southeast Quarter (SE ¼) of Section 31, Township 89
North, Range 5 West, all in Delaware County, Iowa.

The following service territory is to be transferred from IPL to Maquoketa Valley:

The North Half (N ½) of the Northeast Quarter (NE ¼) of the Southwest Quarter (SW ¼); the North Half (N ½) of the Northwest Quarter (NW ¼) of the Southeast Quarter (SE ¼); and the Northwesterly portion of the North Half (N ½) of the Northeast Quarter (NE ¼) of the Southeast Quarter (SE ¼), all in Section 6, Township 88, Range 5 West, Delaware County, Iowa.

In support of the petition, IPL and Maquoketa Valley state the parties recently discovered that IPL is serving an area located within Maquoketa Valley's service territory. The parties have agreed it is in the best interests of both utilities for IPL to continue serving these customers. In exchange for continuing to serve these customers, IPL has agreed to transfer territory to Maquoketa Valley. One customer will be transferred from IPL to Maquoketa Valley as a result of the utilities' agreement and that customer filed a letter stating he had no objection to the transfer.

Iowa Code § 476.25 (2003) provides in pertinent part:

Contracts between electric utilities to designate service areas and customers to be served by the electric utility or for the exchange of customers between electric utilities, when approved by the board, shall be valid and enforceable and shall be incorporated into the appropriate exclusive service areas established pursuant to subsection 1 of this section. The board shall approve a contract if it finds that the contract will eliminate or avoid unnecessary duplication of facilities, will provide adequate electric service to all areas and customers affected, will promote the efficient and economical use and development of the electric systems of the contracting electric utilities, and is in the public interest.

The Board will grant the IPL and Maquoketa Valley joint petition for modification of service area boundaries. IPL and Maquoketa Valley have alleged facts which establish the proposed modification is in the public interest, will prevent

unnecessary duplication of facilities, provide adequate electric service to all customers affected, and will promote the efficient and economical use of electrical systems, pursuant to Iowa Code § 476.25. Because IPL has been serving the area for several years, it has facilities in place and the agreement prevents duplication of facilities while at the same time minimizing disruptions to customers.

IT IS THEREFORE ORDERED:

The joint petition for modification of electric service area boundaries filed by Interstate Power and Light Company and Maquoketa Valley Rural Electric Cooperative on January 22, 2003, is granted, subject to complaint or investigation.

UTILITIES BOARD

/s/ Diane Munns

/s/ Mark O. Lambert

ATTEST:

/s/ Judi K. Cooper
Executive Secretary

/s/ Elliott Smith

Dated at Des Moines, Iowa, this 16th day of April, 2003.